

August 31, 2007

Les Boles, Director  
The State of South Carolina  
Office of State Budget  
1122 Lady Street, 12<sup>th</sup> Floor  
Columbia, South Carolina 29201

Dear Mr. Boles:

Enclosed please find ten (10) printed copies of The Administrative Law Court's FY 2008-2009 Budget Plans. The electronic file containing 1) the letter of transmittal, executive summary, detailed justifications and addendum has been e-mailed on this date also. We are not requesting any proviso changes or additions this year.

If you have any questions regarding our budget, please let me know.

Sincerely,

Marvin F. Kittrell  
Chief Judge

MFK/jes

## FISCAL YEAR 2008-09 BUDGET PLAN

### I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name: Section 55/C05/Administrative Law Court

B. Statewide Mission: To provide a neutral forum for fair, prompt, and objective hearings for any person affected by an action, or proposed action of the following agencies of the State of South Carolina: 1) Department of Health and Environmental Control (including the office of Ocean and Coastal Resource Management); 2) Department of Health and Human Services; 3) Department of Insurance; 4) Department of Labor, Licensing and Regulation (including all 37 boards and commissions); 5) Department of Corrections; 6) Department of Natural Resources; 7) Department of Revenue; 8) Department of Social Services; 9) State Law Enforcement Division; 10) Secretary of State; 11) Department of Probation, Parole and Pardon Services; 12) Department of Transportation; 13) Department of Consumer Affairs; 14) the State Retirement Systems; 15) South Carolina Department of Motor Vehicles; 16) any agency regarding enforcement of subpoenas pursuant to S.C. Code Ann. § 1-23-320(d); 17) any agency pursuant to § 12-56-65, the Setoff Debt Collection Act; 18) any agency pursuant to § 6-4-35, Tourism Expenditure Review Committee; 19) any state agency pursuant to S.C. Code Ann. § 1-23-111; and 20) hearings pursuant to A387, 2006, including, but not limited to the following agencies: a) Human Affairs Commission; b) State Employee Grievance Committee; c) Department of Agriculture; d) Commission for the Blind; e) State Crop Pest Commission; f) State Livestock-Poultry Health Commission; g) Mining Council; h) State Ports Authority; i) Department of Commerce, Aeronautics Division; j) State Board of Education; and k) Commission on Higher Education.

C. Summary Description of Strategic or Long-Term Goals:

- (1) Efficiently manage resources and caseload to ensure fair, prompt and impartial hearings and to dispose of cases according to ALC guidelines provided in the Annual Accountability Report
- (2) Update and improve information technology including development and implementation of a case management system
- (3) Improve age of disposed cases

D.

Summary of Operating Budget Priorities for FY 2008-09:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.:1	Title: ALJs participation in PORS	34,206	9,422	0	0	\$43,628	0	0	0	0.00

Summary of Operating Budget Priorities for FY 2008-09:		FUNDING					FTEs			
		State Non- Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name: 25 – Due Process Hearings										
Priority No.:2	Title: Salary Increase for Attorneys	0	84,196	0	0	\$84,196	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name: 25 – Due Process Hearings and DMVH										
Priority No.:3	Title: Shared IRC	0	34,600	0	0	\$34,600	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name: 26 – Administration Overhead										
TOTAL OF ALL PRIORITIES		\$34,206	\$128,218	\$ 0	\$ 0	\$162,424	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:  
State \$ 2,225,584  
Federal\$  
Other \$ 689,228

F. Efficiency Measures: The Administrative Law Court's primary measure of efficiency is the average number of days required to dispose of cases. These numbers are reflected in *Section III, Category 7* of the Accountability Report.

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	Project Name: Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name: Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name: Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$ 0	\$ 0	\$ 0	\$ 0

\* If applicable

H. Number of Proviso Changes: 0

I. Signature/Agency Contacts/Telephone Numbers:

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Marvin F. Kittrell, Chief Judge  
734-0550

Jana Shealy, Clerk, 734-6411  
Bonnie Moffat, Director of Finance  
and Personnel, 734-6414  
1205 Pendleton St., Suite 224  
Columbia, SC 29201

## II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name:

B. Priority No. \_\_1\_\_ of \_\_3\_\_

C. (1) Title: ALJs participation in the PORS

(2) Summary Description: This request would allow the Administrative Law Judges to participate in the Police Officers Retirement System

(3) Strategic Goal/Action Plan (*if applicable*):

D. Budget Program Number and Name: I. Administration

E. Agency Activity Number and Name: 25 – Due Process Hearings

F. Detailed Justification for Funding

(1) Justification for Funding Increase: Administrative law judges have the same retirement interests and needs as circuit and family court judges. Both types of judges are similarly screened and elected to their positions by the General Assembly. Judges typically enter state service later in their careers and have greater difficulty meeting retirement system requirements. Also, the design of an elevated retirement system recognizes that judges are subject to re-election and may have less years to contribute to the fund and will encourage experienced and qualified candidates to seek ALJ positions.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions	34,206	9,422			\$43,628

Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
<b>Total</b>	\$34,206	\$9,422	\$ 0	\$ 0	\$43,628
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State       \$ 2,225,584  
Federal     \$  
Other       \$ 689,228

(4) Is this priority associated with a Capital Budget Priority? \_\_\_\_\_ No \_\_\_\_\_ If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00

(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State      44  

Federal           

Other              

**Agency-wide Vacant FTEs as of July 31, 2007:           8**

**% Vacant     18  %**

**H. Other Comments:**

## II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name:

B. Priority No. \_\_2\_\_ of \_\_3\_\_

D. (1) Title: Salary Increase for Attorneys

(2) Summary Description: Request for \$5,000 increase for each ALC attorney (including all attorneys in the General Counsel's Office and all law clerks)

(3) Strategic Goal/Action Plan (*if applicable*):

D. Budget Program Number and Name: I. Administration

E. Agency Activity Number and Name: 25 – Due Process Hearings

F. Detailed Justification for Funding

(1) Justification for Funding Increase: Historically the ALC's annual appropriations have not given the ALC the flexibility to adequately compensate the attorneys. Over the past several years the ALC has attempted to remedy the inequity for the salaries of its attorneys compared with those of other state agencies. However, despite our best efforts with current resources, the attorneys' salaries still remain below those of most of their peers. In order to compete with other agencies and the marketplace to attract and retain qualified attorneys, which are an essential part of the process in issuing prompt and sound decisions, we strongly urge that this request be funded.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service		70,000			\$70,000
(c) Employer Contributions		14,196			\$14,196
Program/Case Services					\$ 0



Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
<b>Total</b>	\$ 0	\$84,196	\$ 0	\$ 0	\$84,196
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 2,225,584  
Federal \$  
Other \$ 689,228

(4) Is this priority associated with a Capital Budget Priority?       No       If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

(2) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0

(c) Employer Contributions					\$ 0
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(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State 44

Federal           

Other           

**Agency-wide Vacant FTEs as of July 31, 2007: 8**

**% Vacant 18%**

**H. Other Comments:**

## II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name:

B. Priority No. \_\_3\_\_ of \_\_3\_\_

E. (1) Title: Shared Information Resource Consultant

(2) Summary Description: This request will create a position within SC PRT for an Information Resource Consultant that will be co-shared with the ALC. The IR position will have specified duties for PRT and for the ALC. The ALC will share the total cost of the position with PRT, including salary and fringe benefits.

(3) Strategic Goal/Action Plan (*if applicable*):

D. Budget Program Number and Name: I. Administration

E. Agency Activity Number and Name: 26 – Administration Overhead

F. Detailed Justification for Funding

(1) Justification for Funding Increase: The ALC has not employed an on staff Information Resource Consultant since July of 2002. The position was eliminated due to budget cuts. For the next year, the ALC's IT support was provided by the CIO (formerly known as OIR). Around 2003 the ALC entered into a partnership with PRT whereby they provided support at no cost. However, with the increase in size of the ALC (mainly from the transfer of the Division of Motor Vehicle Hearings in 2006) and the implementation of an automated case management system (currently being installed), our needs for IT services and support has outgrown the current situation. We believe that cost sharing this position with PRT will be able to meet our needs while at the same time stay mindful of the prudent management of taxpayer money.

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service		27,500			\$27,500
(c) Employer Contributions		7,100			\$7,100

Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses					\$ 0
<b>Total</b>	\$ 0	\$34,600	\$ 0	\$ 0	\$34,600

*\* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.*

(3) Base Appropriation:

State       \$ 2,225,584  
Federal     \$  
Other       \$ 689,228

(4) Is this priority associated with a Capital Budget Priority?       No       If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

(3) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					

(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State      44  

Federal             

Other              

**Agency-wide Vacant FTEs as of July 31, 2007:          8**

**% Vacant     18  %**

**H. Other Comments:**

## FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: Section 55/C05/Administrative Law Court

B.

<b>Priority Assessment of Activities – Highest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: 25 - Due Process Hearings	2,006,896	0	37,264	0	36,250	\$2,080,410	31
Activity Number & Name: 1409 – DMVH	24,955	0	0	0	652,978	\$677,933	10
Activity Number & Name: 26 – Administration Overhead	193,733	0	0	0	0	\$193,733	3
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
<b>TOTAL OF HIGHEST PRIORITIES</b>	<b>\$2,225,584</b>	<b>\$ 0</b>	<b>\$37,264</b>	<b>\$ 0</b>	<b>\$689,228</b>	<b>\$2,952,076</b>	<b>44.00</b>

## FY 2008-09 ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF ACTIVITIES – LOWEST PRIORITIES

A. Agency Section/Code/Name:

B. Agency Activity Number and Name:

C. Explanation of Lowest Priority Status:

D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

F.

[illegible]